

**Illinois Department of Revenue
Regulations**

Title 86 Part 435 Section 435.100 Introduction

TITLE 86: REVENUE

**PART 435
CHARITABLE GAMES ACT**

Section 435.100 Introduction

This Part implements the Charitable Games Act [230 ILCS 30/1] (hereafter referred to as "the Act"), which was adopted by the General Assembly to allow not-for-profit charitable, fraternal, labor, educational, veterans, local fraternal mutual benefit and religious organizations to raise funds by conducting casino-type gaming events. Other forms of licensed gaming, such as bingo and raffles, may be played during an event. Licenses for these activities, however, must be obtained. Licenses for bingo must be obtained from the Department, while raffle licenses must be obtained from the county or municipal government responsible for licensing. See the Raffles Act [230 ILCS 15/1 et seq.]. For persons familiar with the rules governing those activities, some of the following charitable games rules are more restrictive than the bingo and raffle rules. The reason is that the charitable games events authorized by the Act are, to a much greater extent than bingo, subject to the abuses often associated with gambling. In turn, these abuses are more likely to occur because the amounts of money involved are potentially much greater, and the bigger the pot, the greater the danger of involvement by criminal elements. In bingo, the statutory prize limit effectively puts a ceiling on the amount of money involved at any single bingo session. At charitable games events, if cash prizes are used, chips, scrip or play money can be cashed in for currency not to exceed \$250 per person. No limit is imposed, however, on the total amount of non-cash prizes. The General Assembly recognized the increased potential for violations at charitable games events, and the Act is consequently more restrictive in many ways than the Bingo License and Tax Act (230 ILCS 25/1 et seq.). A few examples: eligibility for charitable games licenses is more limited; the number of events allowed is much smaller; licensees must notify local law enforcement authorities of their charitable games events; the Illinois Department of Revenue (Department) may summarily suspend charitable games licenses before hearings are held; record-keeping requirements are more detailed; and the criminal penalties for violation of the Act are much more severe (a second violation of the Act constitutes a felony). In addition, any person who violates any provision of the Act or knowingly violates any rule of the Department for the administration of the Act is, in addition to other penalties, subject to a civil penalty in the amount of \$250 for each separate violation. The rules that follow reflect the statutory mandate. Organizations applying for licenses must understand that their failure to comply fully with this Part and to cooperate with the Department's investigative efforts will inevitably mean that long-planned charitable games events will have to be postponed, or even cancelled. At the same time, it is the Department's policy to do everything possible to assist qualified organizations in obtaining licenses and afford these organizations every opportunity to hold a successful fundraiser. Applicants and licensees should not hesitate to contact the Office of Bingo and Charitable Games of the Department at 101 W. Jefferson Street, P. O. Box 19480, Springfield, Illinois 62794, 217/524-4164, with any questions, problems, or comments that may arise. Finally, the Act and this Part are designed to regulate who may be licensed, where and when charitable games events may be played, and what records must be kept of the funds raised. Licensees who suspect that they are being defrauded by players or workers, or that money is being stolen, should immediately contact the Department's Bureau of Criminal Enforcement at 312/814-1750.

(Source: Amended at 21 Ill. Reg. 3978, effective March 14, 1997)